

May 25, 1950

Account No

Gentlemen:

You have requested us to advise you as to "when the recent interpretation of Sales Tax Ruling 51.5, Watercraft, regarding lamps or bulbs will become effective". We are not sure that we understand precisely what you mean by such a "recent interpretation".

Sales and Use Tax Ruling 51.5 was adopted pursuant to Section 6368 of the Revenue and Taxation Code, effective October 1, 1949, providing for an exemption with respect to sales of certain watercraft and materials becoming a component part of such watercraft. Considerable study was made of the question of what property might properly be regarded as becoming a component part of watercraft, within the meaning of the exemption, and it was concluded that light globes are not to be regarded as becoming a component part of watercraft within the meaning of the section. It was concluded, however, that lights and lanterns, provided they are affixed or attached to the watercraft in a substantial manner when in use, would be regarded as becoming component parts of the watercraft. Excepted from this category, however, are lights and lanterns used intermittently at various locations and for various purposes in the ship, such as flashlights, battle lanterns, oil lamps, and portable electric lights with extension cords.

To the extent that the article is included within the exemption, the effective date of the exemption as to the particular article is October 1, 1949.

Very truly yours,

E. H. Stetson
Tax CounselEHS:
cc: